



DEPARTMENT OF ENVIRONMENTAL QUALITY
DIVISION OF WATER QUALITY

Michael O. Leavitt
Governor
Dianne R. Nielson, Ph.D.
Executive Director
Don A. Ostler, P.E.
Director

288 North 1460 West
P.O. Box 144870
Salt Lake City, Utah 84114-4870
(801) 538-6146
(801) 538-6016 Fax
(801) 536-4414 T.D.D.
www.deq.state.ut.us Web

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DIVISION OF
OIL, GAS AND MINING

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Don A. Ostler, P.E.
Executive Secretary

August 15, 2001

Mr. Stephen Flechner, President
North Lily Mining Company
1800 Glenarm Place, Suite 210
Denver, CO 80202

Dear Mr. Flechner:

RE: Closure of Notice of Violations, Docket Nos. UGW2003 and UGW20-04, For Failure to Maintain Discharge Minimization Technology

Review of our records indicate that North Lily Mining Company (North Lily) has satisfied all requirements, obligations and activities specified under the Notice of Violations (NOV), Docket Nos. UGW2003 and UGW20-04 that were issued by the Water Quality Board for failure to Maintain Discharge Minimization Technology (DMT).

Consequently, the NOV's addressing failure of DMT are hereby considered closed based on the following conditions:

1. Post closure monitoring of heap leach drain-down fluid must be conducted according to the provisions of the ground water discharge amended permit to demonstrate that concentrations of constituents will have *de minims* impact to the surrounding ground water quality.
2. Flow rate for drain-down fluid must be measured according to the provision of the ground water discharge amended permit to demonstrate volume of drain-down fluid remains at the design limit.
3. The constructed absorption drain-down field must be operated and maintained according to the approved construction permit.

It is North Lily's responsibility to notify DWQ if drain-down fluid volume or/and concentration of constituent exceed the design limit, so that the situation can be re-evaluated. No further action will be

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required unless additional information discloses a ground water problem at this site originating from the heap leach facility and post closure activities. Your company remains liable for any environmental damage associated with the heap leach facility and post-closure activities.

If you have any questions, please call Beth Wondimu of this office at (801) 538-6084.

Sincerely,

UTAH WATER QUALITY BOARD



Don A. Ostler, P.E.
Executive Secretary

DO:DAF:BAW:bjr

cc: **Wayne Houlberg, DOGM**

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